INTELLIGENCE MEMORANDUM

GIBRALTAR



CIA/BI GM 67-2 August 1966

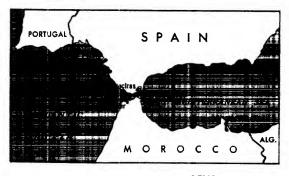
DIRECTORATE OF INTELLIGENCE

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The Rock of Gibraltar has undergone 14 sieges and has changed hands 7 times since the first time the Castilians captured it from the Moors in 1309. The 12th siege and 7th transfer occurred in 1704, when Spain lost Gibraltar to the English, and the following 2 sieges marked unsuccessful attempts by the Spanish to retrieve the stronghold. The high prestige enjoyed by Gibraltar among the British—and perhaps among the Spanish, too—dates approximately from the last and greatest siege of more than 4 years during the American Revolutionary War, when British forces withstood a combined French and Spanish assault. Down through the years Spain has continued to desire Gibraltar; now that most European powers are divesting themselves of former colonial holdings in all parts of the world, the Spanish Government has increased its pressure to change the status of the Rock. The present phase of the controversy began in 1964, when the problem was brought before the United Nations. In October 1964, Spain imposed a slowdown on traffic crossing the land boundary. In December 1965, in response to an appeal from Spain, the UN General Assembly passed a resolution calling on both parties to negotiate their differences. After having long refused to discuss Gibraltar the British Government then agreed to enter into negotiations with the Spanish Government, and negotiations have proceeded intermittently for the past several months.

Situated at the western entrance of the Mediterranean, about 11 nautical miles from the nearest point in Africa and over 1,300 miles by sea from Britain, Gibraltar was admirably suited to be a bastion of overseas empire in the days of surface vessels and short-range artillery. In the 18th and 19th centuries it was a base for British naval operations in the Mediterranean and adjacent parts of the Atlantic and a way station on the lifeline to the Middle East and India. With the advent of long-range artillery, the submarine, and the airplane the Rock lost much of its military value. In World War I it could not prevent a substantial number of German U-boats from passing through the Strait of Gibraltar to attack Allied shipping in the Mediterranean. Spanish neutrality in that war nevertheless enabled the Allies to make good use of the base as an anchor for Atlantic convoys and as headquarters for US and other Allied naval squadrons. Similarly, Franco's refusal to allow a Nazi attack on Gibraltar across Spanish territory in World War II permitted the Allies to use Gibraltar as a ferry point and staging area for the resupply of Malta and to support operations in North Africa. During preparations for the North African landings in 1942 it was Eisenhower's head-

The Rock is a limestone promontory that projects southward from the mainland, forming the eastern side

of the Bay of Algeciras. It is about 2¾ miles long, slightly less than a mile wide at its widest part, and about 2¼ square miles in area. The highest point on the Rock is 1,396 feet above the sea. The north face of the Rock descends steeply to a sandy isthmus less than 10 feet in elevation and about a mile long. The international boundary, as shown on British maps, extends across the northern part of this isthmus, and the area immediately south of this line is known as the Neutral Zone. The Spanish town of La Línea lies immediately north of the boundary. On the western shore of Algeciras Bay, at a distance of 5 miles from Gibraltar, is the city of Algeciras. Around the bay and athwart the approaches to Gibraltar are low hills backed at some distance inland by the rugged mountains of Andalusia.

The eastern slopes of the Rock are steep and mostly inaccessible, but a small settlement at Catalan Bay is reached by a road parallel to the shore that passes through tunnels in two places. The western slopes are less steep; along the shore, where settlement is concentrated, much land has been reclaimed from the sea. The town of Gibraltar and the artificial harbor embraced on the north, west, and south by moles are on the western side of the Rock. The harbor provides alongside berths for 24 vessels of lengths from 200 to 600 feet and maximum draughts of 29 feet; additionally, it provides moorings for 15 vessels of lengths up to 685 feet. A total of 3,838 merchant vessels of more than 12 million net registered tons entered the commercial port in 1964. Gibraltar is also a major operational naval base with a dockyard capable of making major repairs on large vessels. Bunkering facilities for oil, coal, and water are available at most berths.

neling operations during World War II provided extensive areas for barracks, hospitals, repair shops, and storage deep within the Rock, as well as vehicular passages from one side of the peninsula to the other.

With its principal settlement and its harbor and airfield located on the sides toward the Spanish mainland, Gibraltar is exposed to ground and air observation. The Rock could easily be bombed from airbases in Spain or Morocco; during the early part of World War II it was attacked by Vichy French planes from North Africa. Under atomic-bomb attack its underground bunkers could probably serve as fallout shelters, but this might well be the extent of Gibraltar's usefulness in a nuclear war. If a conventional type of war should again come to this part of the world, Gibraltar might again play a role similar to those it had in the two world wars. Gibraltar is of military value to Britain or her Allies, however, only if Spain or Morocco is friendly, neutral, or too weak to pose a threat to the Rock.

Gibraltar currently serves as one of the bases of the British Mediterranean fleet, and the Royal Air Force has an air headquarters and a maritime squadron located here. It also is the headquarters of a subcommand of the NATO Allied Forces Mediterranean (AFMED). A small British army contingent is stationed at the Rock, and there is a local auxiliary force. The importance of Gibraltar for Western defense is overshadowed, however, by that of the several air and naval bases in Spain that are available to US forces under bilateral US-Spanish agreement. On the other hand, should the Gibraltar dispute intensify, US access to these bases might be held hostage to the fate of Gibraltar. US planes from Rota and other US bases in Spain have used

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sources of labor in Malta, Morocco, and elsewhere. Gibraltar's supply of fresh fruit and vegetables has always come primarily from Spain, and this traffic does not seem to have been interrupted significantly. Some steps were taken to increase imports from Morocco in 1965, however, and further reliance on such imports is planned for the future.

The Spanish Government claims that Great Britain violated the terms under which it was granted sovereignty over Gibraltar and also violated subsequent understandings about the Neutral Zone that separates Spanish and British territory. British sovereignty rests on Article X of the Treaty of Utrecht of 1713. In the Spanish view the granting of limited self-government to the colony by Great Britain in 1950 and 1964 was a violation of Spanish rights, since the treaty provided that Britain would not alienate Gibraltar to any power without first giving preference to Spain. The British Government has rejected this argument. Spain claims also that the treaty, in effect, ceded only the Rock of Gibraltar to Britain, not the low isthmus to the north. In 1731 a Neutral Zone 1,700 yards wide was established by Anglo-Spanish agreement between the Spanish fortifications at La Linea and the north front of the Rock. Spain claims that this area remained under Spanish sovereignty even though treated as neutral. Since the early 19th century the British have gradually encroached on the area of the Neutral Zone, building the North Front Airfield and its supporting facilities in 1938 and later. The British admit the encroachment but argue that their right to the area of the airport is based on prescription, since Spain did not protest the building of the airport nor its utilization during World War II. At present the British hold the area northward to the fence along the so-called British Lines, and Spanish customs officials have set up their posts immediately to the north of these lines. The merits of the Spanish arguments are difficult to judge, because Article X of the Treaty of Utrecht is a rather loosely drafted instrument whose provisions are ambiguous. It is difficult to determine whether it gives full or only conditional sovereignty over the Rock to

Great Britain. Certainly it lays down no definitive boundary line for the colony.

Spanish proposals for the settlement of the Gibraltar controversy, if taken at their face value, appear to allow continued military use of Gibraltar much as in the past and to guarantee the political and economic rights of the present Gibraltarians. On 19 May 1966 the Spanish Government proposed that a convention be drawn up providing for 1) reversion of Gibraltar to Spain; 2) acceptance by Spain of the presence of a British military base at Gibraltar and the coordination of this base with defense organizations of Spain and the Free World; 3) institution of a legal regime to protect the rights and interests of the present Gibraltarians, including, among other things, respect for the British nationality of the present inhabitants; and 4) implementation of the convention after above items 2) and 3) are embodied in agreements registered with the United Nations.

According to unofficial statements, the British Government has counterproposed 1) that the Gibraltar Council of Ministers become a municipal council and that the present chief minister and ministers become mayor and aldermen, respectively; 2) that a representative of the Spanish Government reside in Gibraltar to handle consular affairs; 3) that use of the airport and port be made available to Spain on a basis similar to that granted NATO member countries; and 4) that the British Government and Gibraltar officials cooperate with Spain to prevent smuggling.

Because of the publicity Spain has given to its campaign to gain sovereignty over Gibraltar and because of the opposition in the British Government and among Gibraltarians to making such a concession to the government of General Franco, it will be difficult to avoid an impasse in the current negotiations. If Spain fails to obtain some face-saving settlement, Madrid will undoubtedly step up its harassment of Gibraltar by closing the land frontier and forbidding the use of Spanish airspace and territorial waters for travel to Gibraltar. Gibraltar may thus continue to endure its 15th siege, a more or less peaceful one, for some time.

the Gibraltar airfield in the past, but in deference to Spanish requests this use has now been cut to a minimum. Furthermore, Spanish representatives have told the US Government that the outcome of the current Gibraltar talks between Britain and Spain will have a significant influence on Spanish attitudes toward contributions to the defense of Europe, including attitudes toward renewal of the US-Spanish base agreement when it comes up for consideration in 1968. Spain has also notified the NATO countries that it will no longer allow overflight and landing privileges to those NATO members that use Gibraltar but do not have bilateral agreements with the Spanish Government. More recently the Spanish Government has denied the use of Spanish airspace to British military planes.

The efforts of the British Government to find some sort of compromise to propose in the current negotiations are hindered by domestic political pressures. The left wing of the Labor Party, to whom the Franco regime is anathema, and the Empire loyalists, who oppose any relinquishment of British territory, are united in their stand against an accommodation with Spain. The rights and wishes of the Gibraltarians must also be taken into account by the British Government.

The population of Gibraltar consists of about 18,500 native Gibraltarians, 5,300 other British subjects, and 1,600 aliens. The Gibraltarians are descended from a variety of ethnic groups, including among others Genoese, Moroccan Jews, British, Spanish, Portuguese, Sicilians, Maltese, and French. These groups came to the Rock over a long period, replacing the former Spanish inhabitants who departed at the time of the British conquest in 1704. Gibraltarians speak Spanish as their principal language and English as their secondary tongue. Although of multinational origin, Gibraltarians have a sense of common identity. In outlook they are neither Spanish nor British, although life on the Rock, especially among people of the upper class, has a British flavor.

Gibraltar is a crown colony that since 1950 has been granted increasing powers of self-government in internal affairs. The British Crown is represented by the Governor. A new constitution, which came into effect in August 1964, provides for a Gibraltar Council to assist the Governor, a Legislative Council including 11 elective and 2 ex officio members, and a Chief Minister and a Council of Ministers all of whom are members of the Legislative Council. When this constitution was inaugurated Sir Joshua Hassan became Chief Minister. Later a coalition government of all elements in the Legislative Council was formed under Hassan to indicate that Gibraltarians were united in their desire to maintain their ties with Britain. As the Anglo-Spanish talks have progressed Gibraltarians have become increasingly concerned lest the British Government go too far in its willingness to compromise with Spain regarding British control over the Rock. A group calling itself the Integrationists, advocating that Gibraltar be made an integral part of the United Kingdom having representation in Parliament, has gained some popular support in the colony. Major Robert Peliza, the Integrationist leader, has criticized the Gibraltar Government for, as he asserts, a lack of firmness in opposing Spanish designs.

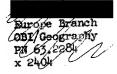
The present Spanish harassment measures at the border have had a serious effect on an economy that is almost entirely dependent on free international movement of people. The twin bases of this economy are governmental activity and tourism. The dockyard, the armed forces, and other government agencies employ about 43 percent of the total labor force. The remainder is employed in the building industry, trade and shipping,

activities associated with tourism, and domestic service, as well as in a few small processing and garment-making industries. Recently announced cuts in United Kingdom defense expenditures involve reduction in the number of aircraft maintained at the RAF station on Gibraltar and could have an adverse effect on the economy. Because the local population has not met the labor demand in the past, the Gibraltar labor force has normally included some 10,000 to 11,000 Spanish workers who crossed the frontier daily for employment in the colony. The number of these workers has been declining because of restrictions on the issuance of frontier passes by the Spanish authorities and because of the widespread movement of Spanish workers to other parts of Western Europe. The size of the labor force has thus decreased at a time when a building boom and growing economy. generally has brought an increased demand for labor. In February 1965 Spain imposed a requirement that all non-Spanish persons working in Gibraltar but living in Spain must have residence permits. Initially, an estimated 500 persons, mostly Gibraltarians who had moved to Spanish territory, were unable to secure these permits; and most of them hastily moved into Gibraltar, thus aggravating an already tight housing situation.

Most dramatic in its effect on the Gibraltar economy has been the Spanish slowdown of tourist traffic across the isthmus boundary. Gibraltar's income from tourists in recent years has been estimated at over \$11 million annually. In 1964, 737,551 tourists visited the Rock, more than half of them coming by land. As a result of prolonged inspections and other slowdown tactics of Spanish customs officials the total number of visitors in 1965 was only 515,252. The number of cars crossing the land frontier decreased from 105,118 in 1964 to 7,182 in 1965. A considerable portion of the traffic across the frontier consists of French tourists returning home from Morocco by ferry to Gibraltar and thence across Spain. In the summer of 1965 near-riots were caused by exasperated French vacationers in Gibraltar who were forced by the Spaniards to stop for a long time at the frontier. Sympathetic Gibraltarians joined the French in the disturbances. In early July 1966 the French traffic was again beginning to back up at the frontier and the Spanish authorities were allowing about three cars an hour to pass. As a port of call on one of the principal sea routes of the world, Gibraltar receives many ship passengers and sailors on shore leave. This type of tourist traffic would appear to be less exposed to Spanish harassment than the land frontier traffic. Historically, smuggling of goods into Spain was an important activity for Gibraltarians. British authorities assert that recent crackdowns have virtually eliminated this traffic.

A number of proposals have been advanced to enable Gibraltar to withstand the Spanish blockade. An overall development plan for the colony prepared by a special study group is intended to be operative either in case there should be a settlement with Spain or in case the blockade should continue and Gibraltar should have to become more self-sufficient. To meet the labor shortage the plan proposes that more Gibraltarians, including women, enter the labor market. Related to this proposal are steps to increase mechanization. The plan also proposes that more tourist attractions be developed on the Rock and that the quality of tourist services be improved so as to attract more tourists who would stay for longer periods. At present most tourists come only for a day. Other measures of the plan include the establishment of more light industry, the increased use of berthing and bunkering facilities by civilian maritime traffic, and intensified housing construction. Other plans have been advanced for the development of alternate

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Government negotiations that have proceeded intermittently for the past several months.

Situated at the western entrance of the Mediterranean, about 11 nautical miles from the nearest point in Africa and over 1,300 miles by sea from Britain, Gibraltar was admirably suited to be a bastion of overseas empire in the days of surface vessels and short-range artillery. In the 18th and 19th centuries it was a base for British naval operations in the Mediterranean and adjacent parts of the Atlantic and a way station on the lifeline to the Middle East and India. With the advent of long-range artillery, the submarine, and the airplane/ the Rock lost much of its military value. In World War I it could not prevent a substantial number of German U-boats from passing through the Strait of Gibraltar to attack Allied shipping in the Mediterranean. Spanish neutrality in that war nevertheless enabled the Allies to make good use of the base as an anchor for Atlantic convoys and as headquarters for US and other Allied naval squadrons. Similarily, Franco's refusal to allow a Nazi attack on Gibraltar across Spanish territory in World War II permitted the Allies to use Gibraltar as a ferry point and staging area for the resupply of Malta and to support operations in North Africa. During preparations for the North African landings in 1942 it was Elsenhover's headquarters. The Rock is a limestone promontory that projects southward from the mainland, forming the eastern side of the Bay of Algeciras. It is about 2-3/4 miles long, slightly less than a mile wide at its widest part, and about 2-1/4

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The population of Gibraltar consists of about 18,500 native Gibraltarians, 5,500 other British subjects, and 1,600 aliens. The Gibraltarians are descended from a variety of ethnic groups, including among others Genoese, Moroccan Jews, British, Spanish, Portuguese, Sicilians, Maltese, and French. These groups came to the Rock over a long period, replacing the former Spanish inhabitants who departed at the time of the British conquest in 1704. Gibraltarians speak Spanish as their principal language and English as their secondary tongue. Although of multinational origin, Gibraltarians have a sense of common identity. In outlook they are neither Spanish nor British, although life on the Rock, especially among people of the upper class, has a British flavor.

Gibraltar is a crown colony that since 1950 has been granted increasing powers of self-government in internal affairs. The British Crown is represented by the Governor. A new constitution, which came into effect in August 1964, provides for a Gibraltar Council to assist the Governor,

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a Legislative Council including 11 elective and 2 ex officio members, and a Chief Minister and a Council of Ministers all of whom are members of the Legislative Council. When this constitution was inaugurated Sir Joshua Hassan became Chief Minister. Later a coalition government of all elements in the Legislative Council was formed under Hassan to indicate that Gibraltarians were united in their desire to maintain their ties with Britain. As the Anglo-Spanish talks have progressed Gibraltarians have become increasingly concerned lest the British Government go too far in its willingness to compromise with Spain regarding British control over the Rock. A group calling itself the Integrationists, advocating that Gibraltar be made an integral part of the United Kingdom having representation in Parliament, has gained some popular support in the Colony. Major Robert Peliza, the Integrationist leader, has criticized the Gibraltar Government for, as he asserts, a lack of firmness in opposing Spanish designs.

The present Spanish harassment measures at the border have had a serious effect on an economy that is almost entirely dependent on free international movement of people. The twin bases of this economy are governmental activity and tourism. The dockyard, the armed forces, and other government agencies employ about 45 percent of the total labor force. The remainder is employed in the building industry, trade and shipping,

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A number of proposals have been advanced to enable Gibraltar to withstand the Spanish blockade. An overall development plan for the colony prepared by a special study group is intended to be operative

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Gibraltar officials cooperate with Spain to prevent smuggling.

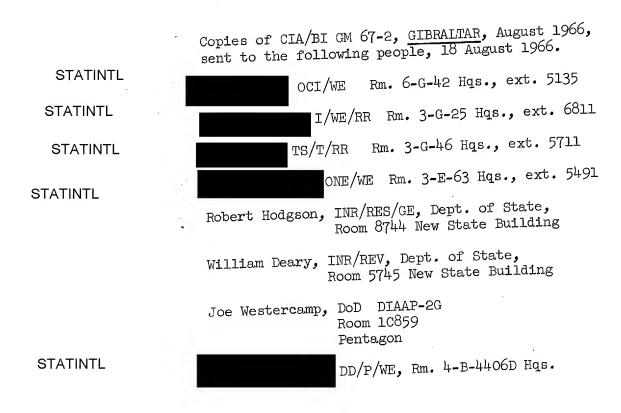
Because of the publicity Spain has given to its campaign to gain sovereignty over Gibraltar and because of the opposition in the British Government and among Gibraltarians to making such a concession to the government of General Franco, it will be difficult to avoid an impasse in the current negotiations. If Spain fails to obtain some face-saving settlement, Madrid will undoubtedly step up its harassment of Gibraltar by closing the land frontier and forbidding the use of Spanish airspace and territorial waters for travel to Gibraltar. Gibraltar may thus continue to endure its 15th siege, a more or less peaceful one, for some time.

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Approved For Release 2001/08/14: CIA-RDP84-00825R00010006000179 T SECRET X CONFIDENTIAL PROJECT PROPOSAL RESEARCH ACTIVITY NOTICE SUBJECT The Gibraltar Dispute REQUESTER REQUESTING OFFICE Self-init. STATEMENT OF PROBLEM TARGET DATE 15 April 1966 Faced with the possibility of increasing Spanish harassment of Gibraltar, the U.K. is reported to have agreed to discussions ANALYST/BRANCH regarding the Rock during April. Spain claims that Britain is altering the governmental status of Gibraltar and that this is /GD/E a violation of the Treaty of Utrecht (1713), under which Britain holds the territory. Spain further claims that Britan has EST. ANALYST MANHOURS 25X1A encroached on Spanish territory in building the Gibraltar airport 25 Spain will probably want to discuss the question of sovereignty over the Rock, whereas Britain will probably try to restrict the talks to problems of travel and trade across the border. The dispute, in which the U.S. will probably try to remain neutral, could cause a serious rift in Anglo-British relations, and further Spanish blockade of the territory could impair the economy of one of Britain's principal remaining naval bases. The report well br the present k value of Gibraltar to Britain, the claims and counter-claims of the two parties, and the possible economic effects COORDINATION REQUIRED FROM : Reproduction of existing map will probably be sufficient. CD/BI OTHER CIA: NON-CIA: APPROVED wore Browl ography Division, OBI DIRECTOR OF BASIC INTELLIGENCE DATE REPORT RECORD

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